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The transition from relief to development

Report of the Secretary-General+

Summary

The present report is submitted in response to General Assembly resolution 59/141 and Economic and Social Council resolution 2004/50, in which the Assembly and the Council requested the Secretary-General to report on the issue of transition from relief to development, with the aim of improving the international community's efforts to better respond to transition situations in support of the efforts by affected States. To this end, the report draws on case studies from countries undergoing both post-disaster recovery and transition from conflict to peace to discuss the specific challenges of national ownership, coordination and financing.

* A/60/50 and Corr.1.
** E/2005/100.
\+ The report was delayed for technical reasons.

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I. Introduction

1. The present report is submitted in accordance with General Assembly resolution 46/182 of 19 December 1991, in which the Assembly requested the Secretary-General to report annually to the Assembly and the Economic and Social Council on the coordination of emergency humanitarian assistance. The report is also submitted in response to the requests contained in General Assembly resolution 59/141 of 15 December 2004 and Economic and Social Council resolution 2004/50 on the strengthening of the coordination of emergency humanitarian assistance of the United Nations.

II. Context

2. In the aftermath of disasters and emergencies, there is often a period between the emergency and development phases when humanitarian needs must be met and the long-term benefits of rehabilitation and reconstruction have yet to be fully realized. While in the past such transitions were largely regarded as a sequential progression from relief to development, it is now recognized that there are various aspects of transition processes that must be addressed simultaneously.

3. All transition situations are unique and therefore require flexible responses adapted to the specific context and circumstances of the country. However, all types of transition processes have one common feature: national ownership of the transition process, whether it be in response to natural disaster, economic transformation or conflict, is the key to successful and sustainable recovery and development efforts and to lasting peace.

4. In post-disaster transitions, recovery tends to be broad in scope, as disasters can affect several countries simultaneously. Post-disaster transitions also occur soon after the crisis phase, often beginning within weeks of the initial disaster and leaving little time for post-crisis planning. Post-disaster transitions also typically take place in the context of a functioning State. Therefore, they usually feature a relatively straightforward relationship between national and international actors and institutions. Nonetheless, disasters often wipe out critical infrastructure, government capacity and hard-won development gains, requiring that post-disaster transition phases also include sustained support for the immediate restoration of livelihoods and basic social services, as well as for preparedness measures and activities that reduce future disaster vulnerability. It is critical that disaster-recovery programming be developed together with affected Governments and communities and with an awareness of the existing socio-economic situation.

5. Recovery from drought poses a set of unique challenges. Although like most disasters the impact of drought depends on the interplay between a natural event and socio-economic policies, drought differs from most disasters in that it is slow in onset and may continue in cycles or for a prolonged period of time. If the effects of drought are left unchecked, the fight over scarce resources that could ensue could aggravate existing tensions and political instability and lead to violence. The United Nations approach to drought has therefore sought to simultaneously address humanitarian concerns, while working with Governments to identify and address the underlying social and environmental factors that may increase the impact of drought and increase food insecurity.

6. Post-conflict transition situations are complex and are characterized by the close interplay of political, security, human rights, humanitarian and development imperatives. Conflict-related emergencies rarely end neatly. Insecurity may persist to varying degrees, government structures may be incapacitated or destroyed, and the root causes of the conflict may not be adequately addressed by negotiated political solutions that have yet to take root, often causing conflicts to resurface. Post-conflict transition operations, in particular, involve a complex web of political, peacekeeping, human rights, humanitarian and development activities geared towards consolidating peace, supporting restoration of State and government institutions and reinforcing human security. Such activities may need to occur simultaneously, at varying levels of intensity, and would be constantly susceptible to both setbacks and opportunities. As with post-disaster transitions, however, it is critical that the desired goal of all these efforts, or the vision of the post-recovery end state, be developed by and with affected Governments, civil society and communities.

7. The key challenges in post-disaster, drought and post-conflict transitions will be further elaborated in the present report. Case studies that highlight lessons learned and best practices are provided for each challenge. In the case of the sections on post-disaster and post-conflict situations, a discussion is included of additional measures that should be taken or have been taken by the United Nations system and others to strengthen response. The report concludes with a series of implications for future action.

III. Post-disaster recovery

A. National and local ownership and participation

8. National ownership of and participation in the design and implementation of recovery programmes are essential not only to achieve the desired impact of recovery efforts and their sustainability, but also to strengthen capacities on the ground. The participation of local disaster-management experts and technicians will help to ensure that recovery programming considers the needs and capacities of the affected population. The involvement of national decision makers is critical to building a consensus around recovery priorities, roles, responsibilities and resources. To ensure that such ownership by national actors takes hold, external support must empower local actors and strengthen institutions through the transfer of technology and know-how and through public education. Such an approach should include assistance in mapping hazards and risks and the formulation and/or revision of risk-reduction measures. International investment is also needed at the local community, national and regional levels in preparedness, response capabilities and disaster mitigation, including advocacy and awareness campaigns, and the development of early warning capacities and training exercises.

9. In situations where local government capacity has been weakened by a disaster, targeted support to help the authorities coordinate the disaster response becomes vital. In Grenada, which suffered loss of life and material damage following the 2004 hurricane season, the United Nations has supported the Government in formulating a national reconstruction plan, which includes guidelines for the construction of hurricane-resistant housing, strengthening

government capacity in public information and communications and disaster risk reduction. The Government, with the support of the United Nations, also established the Agency for Reconstruction and Development in December 2004 to assist in the social, economic and physical recovery of Grenada through the application of specialist expertise; effective collaboration with Government ministries, development partners and other stakeholders; and the transparent stewardship of local and international resources. It is essential that the very close relationship that has been established with the Agency be continued. Although faced with start-up challenges of its own, a strong technical entity such as the Agency can push ahead with a focused reconstruction programme and priorities, one of which must include the implementation of the coordination and reporting mechanism that has been developed and discussed.

10. Equally important to an effective and smooth transition is support to local and community structures. Local involvement in the recovery effort following the earthquake in December 2003 in the city of Bam, Islamic Republic of Iran, has been critical both for the smooth progress of the transition and as a mechanism for building and strengthening local capacity. Immediately following the earthquake, emergency response efforts were led by the Government and the Iranian Red Crescent, which has significant technical capacity in all aspects of disaster risk reduction and management. However, at the time, the strong institutional arrangements at the national level were not matched at the local and intermediate levels. In the recovery phase, the United Nations and its partners have promoted participatory approaches and decentralized planning and programming, involving direct consultation with the affected communities, and have supported the Government in adopting and implementing community-centred approaches. This has included the provision of support to local authorities in promoting, supervising and guiding planning and construction processes, in line with local codes and practices.

11. Similarly, early recovery efforts in the Indian Ocean region following the tsunami of December 2004 were driven by the need to respond urgently, and were focused on providing technical and financial support to government actors and institutions. With support from United Nations agencies, the International Red Cross and Red Crescent Movement and civil society, decentralized capacities that promote participatory approaches to recovery are now being strengthened. National Governments are taking ownership and becoming involved in all recovery processes. In this way, it is hoped that sensitive issues, such as land rights or the special vulnerabilities of minorities and migrant populations, can be addressed.

12. Effective communication with local populations about recovery activities is another means of reducing confusion and distress in a post-disaster community and better involving them in the recovery process. Following the relief effort in Bam, the momentum created by promises to reconstruct the city quickly was transformed into a variety of proposals and schemes that raised local expectations and resulted in a growing sense of confusion and unrest. It was clear that a strategy was needed to address and respond to community expectations, to inform the affected population of their rights and to highlight both the potential benefits and limitations of the reconstruction process. The United Nations launched a community-based information management programme that now issues a biweekly newsletter and mobilizes volunteers for dissemination of information on reconstruction strategies and plans and on people's entitlements and needs. A similar newsletter is currently being produced in Sri Lanka. Community-based information management

programmes have also been crucial in addressing regional disparities to ensure that all regions benefit from the reconstruction efforts and are better off than they were before. Community mobilization and self-help form a cornerstone and a key organizing principle for demand-driven local recovery programmes, and strengthen the capacity of the community to play its role effectively.

B. Coordination

13. The primary responsibility for coordination in a post-disaster setting rests with the national authorities. Experience demonstrates, however, that national capacities are frequently overwhelmed by the volume and speed of response by a multiplicity of actors. External actors can facilitate the Government's coordination role by recognizing that their level of commitment to coordination and coherence has a direct impact on a Government's effectiveness, particularly in countries with less developed systems that require additional capacity strengthening.

14. The coordination challenges in any disaster recovery effort are often complex. Coordination of operations is labour intensive, in both traditional sectors, such as shelter and camp management, and in information management, resource mobilization and financial tracking. Coordination among local, national, regional and international response teams is essential, as the inevitable convergence of multiple-response actors can complicate, rather than strengthen, the overall recovery effort if field coordination structures are weak and roles and responsibilities are not clearly defined from the outset. Finally, because post-disaster transitions take place at an accelerated and sometimes uneven pace (both within and across countries), coordination and planning mechanisms must be in place and operational within a relatively short time and must be tailored to the country-specific context.

15. While the United Nations system has well-developed capacities for the coordination of response to disasters and humanitarian assistance, mechanisms for the coordination of post-disaster recovery activities need to be further strengthened. Progress has been made in ensuring greater capacity for recovery activities. Within 24 hours of the Indian Ocean tsunami, recovery advisers were deployed to support the Resident Coordinators. In addition, the Special Coordinator for Humanitarian Response was accompanied by a representative from the United Nations Development Group to strengthen the link between relief and development. Recovery teams were also at full capacity in affected countries within two weeks. Nevertheless, coordination gaps remain, and the tsunami response has highlighted the need to conduct assessments of early recovery needs, to set up predictable mechanisms for the deployment of technical experts to support recovery planning and to better coordinate post-crisis funding. Moreover, while the system of leadership accountability for emergency response is well defined at both the headquarters and field levels, similar systems for disaster recovery still require strengthening.

16. It is widely accepted that disaster recovery programmes that emphasize physical reconstruction and the restoration of basic services are insufficient to address the complete range of recovery needs. Rather, post-disaster recovery must contribute to improving the living conditions of the affected population through the revival of production, trade and services and the creation of income-generating and employment opportunities. Lessons emerging from the recovery effort in Bam

suggest that shortcomings in the planning and coordination of recovery efforts led to key revitalization efforts being overlooked. More than one year after the tragedy, the reconstruction process is slow. Most of the city's inhabitants are still living in tents and provisional shelters and many lack access to basic medical care.

17. Coordination challenges are also apparent in those countries affected by the Indian Ocean tsunami. Although expert recovery teams were dispatched by the United Nations within two weeks of the crisis to compile information on disaster damage and recovery needs and to begin supporting national authorities in recovery planning, the pace of recovery since then has been relatively slow. This is due in part to an overall gap in recovery planning that has left key national entities and some United Nations country teams overstretched. In addition, there have been delays in the provision of recovery assistance in critical sectors, such as the construction of permanent housing and water and sanitation facilities, or the recovery or replacement of boats and reconstruction of commercial premises to jump start local economies. In some countries that have drawn up national reconstruction plans, there could have been better coordination of national and international recovery priorities among government actors, United Nations agencies and international financial institutions. While United Nations leadership accountability and reporting lines are clear in the disaster emergency phase, such structures are not as strong for the recovery period.

18. Senior coordination advisers for recovery have been deployed to the three most affected countries, namely, Sri Lanka, Indonesia and Maldives, to support the role played by Resident Coordinators. In each case, the Resident Coordinator recognized the need for senior-level support to the United Nations country team in the development and coordination of a United Nations strategic plan that would respond to the priorities included within a national recovery plan while also providing support to established funding mechanisms in the countries. The senior coordination advisers for recovery have played that role.

C. Funding

19. Adequate and sustained support must be given to the post-disaster recovery and reconstruction effort as early as possible. The lack of an adequate and predictable funding base for disaster recovery widens sectoral and coordination gaps and impedes recovery planning. However, past experience suggests that while humanitarian assistance funding is readily available — and often abundant — during the phase of immediate response to a disaster, such support drops off once the initial response is complete and media and public interest has subsided. Such was the case after Hurricane Mitch in 1998 and the earthquake in Bam in December 2003, where only a small percentage of funds promised were ever paid out. Such patterns suggest that, if current practices continue, affected countries and the United Nations alike may have only a limited window of opportunity to raise disaster relief and recovery funds. Mechanisms for funding disaster relief may therefore need to include recovery efforts and to provide sufficient flexibility/fungibility to allow national authorities and external actors to determine the best use of available resources when making allocation decisions to humanitarian and recovery priorities.

20. Owing to the flexibility with which the flash appeal mechanism was used following the Indian Ocean tsunami, it was possible to raise resources for early

recovery in key sectors such as shelter, livelihood, microinfrastructure, fishing industries and the environment, which allowed recovery plans and programmes to be implemented without delay. This enabled timely relief and emergency interventions to help local populations get back on their feet. In Indonesia, rubble removal operations undertaken as "cash for work" reduced the psychological stress of the population while injecting cash into the local economy. The United Nations system, the World Bank and the Asian Development Bank jointly conducted a full assessment of post-disaster recovery needs, and are providing support to the Governments of India, Indonesia, Sri Lanka and Maldives in exploring how to address those needs.

21. However, experience has shown that the flash appeal mechanism alone has not been the ideal vehicle for mobilizing resources for recovery purposes. India, which had response capacities in place and therefore did not participate in the flash appeal, has reported great difficulty in raising resources for recovery purposes. Alternative mechanisms are needed to fill this gap.

D. Investing in preparedness and risk reduction

22. Failure to invest in disaster risk reduction and preparedness and in post-disaster recovery and rehabilitation as integral components of sustainable development efforts puts already vulnerable countries at even greater risk. The integration and prioritization of disaster risk management into national development plans and budgets, as well as Government and international commitment to concrete preparedness activities, can effectively mitigate the impact of even large-scale hazards. Attention to risk reduction and prevention strategies can also curb vulnerability to disasters in the long term. Moreover, a focus on risk reduction in the recovery phase allows countries and communities to go beyond replacing damaged infrastructure and to address development deficits and bring living conditions to a level above pre-disaster standards.

23. For example, the worst human and economic losses sustained by Caribbean island States during the unusually intense hurricane season late in 2004 affected the most vulnerable segments of the population in Haiti and Grenada. Neither of these countries was prepared for the scale and intensity of the event. In the case of Haiti, the impact of the hurricane-related floods was further exacerbated by extreme environmental degradation brought on by ecologically harmful land use. In contrast, Jamaica, the Dominican Republic and Cuba recorded much lower levels of loss and damage.

24. Such disparity in the level of impact is directly related to government commitment to concrete preparedness and risk-reduction activities. More than 15 years ago, the Office of Disaster Preparedness and Emergency Management in Jamaica began a programme to transfer skills to communities in the areas of search and rescue, first aid, contingency planning, shelter management and early warning. Community teams were formed and supported by the Government, the Jamaica Red Cross and local civil society. During the 2004 hurricane season, communities with those skills systematically responded better to events and were better able to assist themselves and response agencies with evacuation and shelter management and the distribution of relief and recovery supplies. After Hurricane Ivan, the Prime Minister of Jamaica called for the Caribbean region to establish a fund that countries

could access for hurricane recovery and reconstruction and called for Caribbean countries to develop a common policy on natural hazard risk reduction and to integrate that policy into their national planning and development efforts. Jamaica is currently drafting a national hazard mitigation policy (2005).

25. To promote regional preparedness throughout the Caribbean, the United Nations set up a regional inter-agency standing committee and a relief, disaster and emergency task force in Panama in 2005. In addition to coordinating regional response and preparedness, the task force provides a platform for the exchange of information and consensus-building in determining the priority actions in the Latin American and Caribbean region. Comprehensive plans to put preparedness measures into place, including strengthening government capacity and working with local communities to change land use patterns that exacerbate the effects of hurricanes, need to be explored and implemented urgently on a regional basis. Along these lines, a lessons-learned workshop for eastern Caribbean countries was held in June 2005 in Jamaica, in the framework of the United Nations Disaster Management and Training Programme, to learn from the 2004 hurricane season. In addition, for the past several years, the International Federation of Red Cross and Red Crescent Societies has been hosting, with national Societies, an annual pre-hurricane-season planning and preparedness workshop with hurricane-prone countries, the United Nations, donor agencies and non-governmental organizations. The most recent such meeting, held in June in Panama, led to the development of a memorandum of understanding among the Government of Panama, the United Nations Children's Fund, the World Food Programme and the International Federation of Red Cross and Red Crescent Societies on the pre-positioning of relief stocks at the Red Cross/Red Crescent base in Panama.

26. In the Indian Ocean region, both international and national organizations working in the tsunami recovery effort have aimed at balancing the need for rapid recovery while addressing the structural causes of risk and vulnerability. Such efforts have included public consultations in Indonesia, where experiences with prior disasters were analysed and integrated into new shelter strategies and environmental preservation. While it is generally accepted that it would have been almost impossible to be adequately prepared for an event of this magnitude and impact, the tsunami disaster prompted a new resolve to create a region-wide early warning system for tsunamis and other predictable hazards. Similarly, long-term preparedness strategies supported by the United Nations and the Government of India (following previous natural catastrophes in Gujarat and Orissa) proved critical in the early hours of the tsunami and demonstrated how preparedness at both the national and local levels could save lives. Since the tsunami, India and the international community have resolved to intensify and extend disaster risk-management programmes along the following lines: incorporation of disaster risk-management in all recovery and reconstruction efforts; conduct of comprehensive multi-hazard risk assessments; establishment of clear risk-reduction guidelines sector by sector; and the strengthening of emergency response capacities at all levels.

27. However, despite compelling evidence that risk-reduction efforts are linked to improved opportunities for sustainable development, obtaining funds for capacity-building and investment in reducing vulnerability and risk continues to be a challenge. That area continues to receive much lower levels of resources from the donor community compared to the funding available for humanitarian response and

conflict situations. Disaster-reduction efforts need to be increasingly promoted as a solid investment towards saving lives and reducing loss and as fundamental to achieving the Millennium Development Goals and sustainable development in general.

IV. Drought

28. The humanitarian crisis that continues to ravage southern Africa has challenged traditional response and assistance approaches. While the crisis first appeared on the humanitarian map as one precipitated by drought, closer analysis showed that the causal factors and drivers of the crisis were more complex and deeply rooted, and involved a number of factors in addition to climate change and inadequate rainfall. This realization demonstrated the need to rethink responses and to develop innovative and creative approaches to address the needs of the most vulnerable across the region. In short, it was recognized that while there was clearly a humanitarian crisis in southern Africa, traditional responses were not the answer.

29. Since the beginning of 2004, the work of the United Nations has been guided by the so-called "triple threat" approach: simultaneously tackling food insecurity, HIV/AIDS and weakened capacity for governance. This approach promoted a blurring of the lines between emergency relief and development assistance and contributed to providing a practical environment in which United Nations agencies work together collaboratively, using common, and even joint, programming initiatives to address the identified priorities.

30. The triple threat approach, developed under the leadership of the Special Envoy of the Secretary-General for Humanitarian Needs in Southern Africa and included in a paper prepared by the High-level Committee on Programmes, acknowledged that southern Africa required simultaneous humanitarian and development action to address the three priorities. Accordingly, the United Nations and its partners requested donors to support immediate actions to address immediate needs and immediate action to address long term needs. In a region where life expectancy and other human capacity and economic indicators have been in reverse for several years, largely due to the impact of HIV/AIDS, the United Nations has recognized that the conventional concept of "recovery" has little meaning. The region will continue to experience shocks from natural hazards, such as floods, droughts and cyclones. However, poverty and the levels of vulnerability across the region have meant that assistance is geared towards arresting increases in vulnerability.

31. A key lesson to understanding the approach in southern Africa can be drawn from the response and follow-up to the drought-induced food security crisis in 1992/93. Following the largely successful response, the humanitarian community vowed that this would never be allowed to happen again, believing that effective development assistance would ensure regional food security. However, a decade later, a regional crisis of immense proportions has happened again, this time with a much more complex set of issues and causes, many of which had been ignored in the conventional development response in the preceding years.

32. Relief, recovery, and development support are needed in this region simultaneously, allowing households and communities who find themselves on different rungs of the development ladder to meet their immediate needs while

engaging in appropriate activities with a longer-term vision. Safety nets and social protection programmes are increasingly needed within long-term strategies, while appropriate rehabilitation and economic development activities should be considered during relief periods. The relief-development continuum has dissolved in the face of recurrent shocks, rampant poverty and the omnipresent impact of the HIV/AIDS pandemic.

33. The inter-agency regional humanitarian strategic framework for southern Africa, which is developed through the United Nations Regional Inter-Agency Coordination Support Office for the Special Envoy and supported by the new United Nations Regional Director's team, includes new "recovery" perspectives shared jointly by the United Nations and the non-governmental organizations community. The framework provides a basis for short- and long-term responses in which humanitarian and development players take joint action, meeting immediate needs while working to prevent and mitigate vulnerability to future shocks and risks, build livelihood resilience and enhance economic and social growth.

Funding

34. The multifaceted nature of the crisis in southern Africa poses particular resourcing challenges. The depiction of the crisis as one that was simply driven by drought brought forward the use of the traditional emergency funding tool, the consolidated appeal. While regional and country-specific requirements were multisectoral, over 80 per cent of requirements were for food assistance activities. As analysis of the triple threat approach developed, the need for broader responses has become increasingly apparent, as has the need for more creative solutions to enable the most vulnerable to access food and necessary social services. The request for donors to support immediate actions to address immediate needs and immediate action to address long-term needs challenged the continued use of the consolidated appeal as the most appropriate (or accepted) mechanism for mobilizing resources, particularly in areas that support the critical social safety net provisions needed in many countries in the region.

35. While there is a palpable shift in the region by donors to assist responsible Governments to strengthen capacity for provision of social services through direct budgetary support, immediate outreach to support the millions of chronically vulnerable people in the region will remain insufficient for several years to come. Further shocks caused by inclement weather, such as the dry spell that has decimated harvests in Malawi, Zambia and Mozambique this year, continue to require donors to keep unlocked resources for short-term emergency responses. Only through a flexible and informed approach by donors that addresses the complexity of needs in the region will it be possible to arrest the decline in life expectancy and other human capacity and economic indicators.

V. Post-conflict transitions

A. National ownership and capacity-building

36. National ownership of the transition process in post-conflict transition countries must be both a general principle and a priority objective guiding international assistance efforts. Without such a focus, the main goal in post-conflict

transition — consolidating a sustainable and just peace — is unlikely to be achieved. Without national ownership providing a vision of the sort of country for which the transition process is laying the groundwork, sustainable peace is unlikely. When transition processes are not rooted in their host societies, for example, they risk being derailed by lingering conflict and unmet expectations. Inadequate ownership also opens the door to parallel structures being developed outside the formal institutions called for by peace agreements, which may work at cross purposes with formal arrangements and contribute to tensions and instability.

37. As crucial as national ownership of transition processes may be, however, such ownership cannot and should not be assumed to exist or to spring into existence fully formed at the start of transition. Unlike post-disaster situations, the capacity of national actors to effectively and fully engage a transition process cannot be assumed after years of conflict. The trauma of conflict and the circumstances leading to it are likely to have eroded the capacities of national actors to guide and manage complex post-conflict transitions. De facto country-wide sovereignty can also not necessarily be assumed. Effective State control may not extend to all areas, or may be limited in those areas it does reach, and the legitimacy of transitional governmental bodies needs time to take root in post-conflict societies.

38. National ownership must be cultivated by all participants in the post-conflict transition process. In the short term, this will entail the creation of planning and coordination mechanisms that are led by and/or strongly engage national actors, involving them in both consultations and decision-making. In the mid- to longer term, reinforcing national ownership will also require a concerted effort by international actors to avoid unnecessarily substituting for national actors, as may have been required during the height of the conflict. International actors must also make a concerted effort to develop national capacities. For example, international actors should support Government efforts to reassume the key functions of the State in a manner consistent with human rights norms and obligations, including basic administration, security, law and order, and the provision of social services.

39. As crucial as it is to uphold the principle and pursue the objective of full national ownership, experience demonstrates that the fragile period immediately following the conclusion of peace agreements necessitates a realistic expectation of national capacities to manage the myriad efforts required for the success of transition. Successful post-conflict transition also requires the rapid launch of assistance programmes that will help to quickly stabilize and improve the situation in a country, including ongoing relief efforts, rapid scaling-up of delivery of basic social services, disarmament, demobilization and reintegration programmes, return programmes for internally displaced persons and refugees, and livelihoods and small-scale infrastructure programmes to revitalize rural economies and provide jobs. The speed with which such programmes need to be launched if they are to be successful will sometimes limit the degree to which they can build on existing national structures, particularly in conflicts that have drastically eroded national capacities, or in areas where the extension of State authority is still limited. This places a premium on the need for creative solutions involving civil society, decentralized approaches, and non-governmental actors, while building in commensurate capacity-development measures to accompany large-scale expansion of external assistance.

40. Post-conflict transitions typically lead to new areas being accessible, which usually harbour pockets of extremely vulnerable populations. Humanitarian agencies will have to respond extremely quickly to address critical needs, and will continue in such instances to substitute for national authorities, rather than develop national capacities. Early in post-conflict transitions, therefore, it will be critical for humanitarian agencies to maintain their own capacity to flexibly address such needs. Doing so will entail upholding the well-established humanitarian principles of humanity, neutrality and impartiality, without which humanitarian agencies are unable to operate effectively.

41. The exact balance of efforts to strengthen national ownership and other efforts critical to successful transition will depend on the particular transition. The specific nature of efforts to reinforce national ownership — be they planning and coordination mechanisms or capacity-development programmes — will also vary from one context to another. This extent of variability is illustrated by the responses to the post-conflict transitions in Sierra Leone, Afghanistan and Haiti.

42. In Sierra Leone, following the declaration of peace in January 2002, humanitarian and recovery assistance planning was integrated with national development plans and combined with building national capacity. Specifically, a National Commission of Rehabilitation, Resettlement and Reconstruction was created with technical and financial support from international donors. This Government body, later reorganized as the National Commission for Social Action, was the principal Government partner involved in the design and delivery of humanitarian response and the development of the national and district recovery strategies. Grants from the two Commissions supported community-based recovery and strengthened civil society, allowing relief activities to support long-term recovery from the outset.

43. The development of the National Recovery Strategy and the establishment of National and District Recovery Committees also helped to ensure national ownership and contributed to the development of national capacity. Despite its failings,[1] the National Recovery Strategy provided a framework that guided both local and international recovery interventions. The Committees, although hindered by minimal resources and severe capacity constraints, provided a vehicle for the extension of Government authority and functioned as a Government partner for community-based recovery interventions across all sectors at the local level and laid the foundations for district councils and Government decentralization.

44. In Afghanistan, internal governance structures were insufficient to take on full responsibility for post-crisis activities after the collapse of the Taliban regime in 2001. It was therefore a priority to reinvigorate the national capacity of Government ministries and other institutions as quickly as possible so that the decisions taken and their implementation were domestically driven. In part this was achieved by a "light footprint" approach to the design of the United Nations Assistance Mission in Afghanistan, which was intended to prevent large numbers of expatriate staff from overwhelming what was supposed to be an Afghan-owned reconstruction process. In addition, joint strategic planning among international and national actors in Afghanistan was critical to enabling the Government to function. This was achieved through the creation of the Afghan Assistance Coordination Authority and later the consultative groups, which facilitated substantive interaction among the Government, donors, international financial institutions, United Nations agencies

and non-governmental organizations in defining, financing and implementing priority programme areas and served as the primary mechanism for developing the national budget. The United Nations also seconded staff to several of the Afghan line ministries, including the Ministry of Health and the Ministry of Rural Reconstruction and Development, to jump start critical Government programmes.

45. The transition in Haiti demonstrates the requirement to balance practical efforts to increase national ownership with the response to urgent emergency needs. Following the political crisis and the subsequent deployment of the United Nations Stabilization Mission in Haiti (MINUSTAH), the country was struck by a series of hurricane-related floods late in 2004, requiring the immediate mobilization of the Government's and the United Nations in-country resources and capacities to respond to compound humanitarian needs. This crisis, combined with the fragility of Government institutions and ongoing security concerns, delayed the implementation of the Interim Cooperation Framework, which had been prepared by the Transitional Government in Haiti, in close cooperation with the international community, to identify priority transition areas[2] and link early transition planning with longer-term national strategies.

B. Coordination

46. As the prior examples demonstrate, effective coordination among international and national actors in post-conflict transitions is critical to ensuring ownership of the transition process within the Government and local communities. This requires inclusive processes that include line ministries, central banks, local government and community groups. Coordination structures and processes — from needs assessments to strategic planning to funding mechanisms — must be designed and implemented with, and in support of, national development plans and budgets. It also requires that the delivery of services supports, rather than duplicates, national efforts.

47. The coordination of transition efforts also requires that the various facets — political, peacekeeping, humanitarian, human rights, developmental — of the United Nations strategic and operational response at Headquarters and at the country level, must come together around a unified strategy and purpose. However, the developmental, humanitarian, human rights, peacekeeping and political parts of the United Nations and its partners do not always act in full harmony or with a shared understanding of context and events. Moreover, the United Nations sometimes struggles to strike the right balance between quick-impact projects and longer-term, institution-building processes. Effective and smooth transitions therefore require a single and consistent strategy that supports greater coherence between political and operational efforts based on common analysis and assessment of needs, identification of roles and priorities, clear and strong leadership, and coordination in support of national recovery. Ongoing discussions with regard to the Peacebuilding Commission and Peacebuilding Support Office, and those pertaining to the recommendations of the integrated missions study, are providing a platform to deliberate on these challenges.

48. United Nations partnerships with other international and national actors, including regional organizations, donors, international financial institutions, the International Red Cross and Red Crescent Movement, and non-governmental

organizations, are also critical to the transition process and need to be further developed throughout all stages of the transition process. Regional entities such as the African Union, the Economic Community of West African States and the Southern African Development Community, can facilitate the regional stability that supports country-level transition. Non-governmental organizations — both national and international — are often involved in capacity development and the delivery of critical social services to local authorities and civil society before, during and after transition. Their knowledge, experience and networks on the ground can contribute significantly to the dynamics of transition.

49. Again, the responses in Sierra Leone, Afghanistan and Haiti illustrate how the United Nations has attempted to tackle these coordination challenges. The establishment of an integrated mission in Sierra Leone facilitated coherent planning between the United Nations country team and the United Nations Mission in Sierra Leone (UNAMSIL). Facilitated by the creation of the post of Deputy Special Representative of the Secretary-General, the United Nations country team and UNAMSIL developed coherent transition planning in support of the national recovery process. The country team then worked closely with the Mission and the national authorities to prepare the peacebuilding and recovery strategy in order to allow for the phase-out of relief actors and to help United Nations agencies shift their operations from emergency to reconstruction activities. The country team also developed a transition support team to provide coordination support within the team and to support the Government and local authorities to take the lead during transition.

50. At a broader level, the consultative group for Sierra Leone provided an excellent forum for bringing together the Government and its partners (donors, the United Nations, international financial institutions and non-governmental organizations), and the results based framework for 2003-04 (based on the National Recovery Strategy) provided a useful tool for monitoring and assessing progress, which guided overall recovery interventions. In 2004, the development partnership committee was established. It now serves as the principal coordination forum in which the Government and stakeholders can hold a dialogue on strategic, policy and funding issues.

51. In Afghanistan, the United Nations has focused on and worked to set up effective and coherent coordination structures with both national and international partners. The United Nations country team worked together with the World Bank on the formulation of the Government's interim poverty reduction strategy to ensure that the programme cycles of the United Nations Development Assistance Framework, the interim poverty reduction strategy and the World Bank's country assistance strategy are being aligned and will have the same three-year lifespan. That collaboration is part of a broader trend towards more joint planning and programmes, for example, the effort to collectively support the Government in pulling together a $71.4 million drought appeal and the development of the reforestation project entitled "Green Afghanistan initiative", and underlines the need for clearly agreed planning processes that maximize the local expertise available within the United Nations country team.

52. The integration of United Nations agencies within the peacekeeping mission in Haiti has facilitated flexibility of response to both post-conflict and disaster elements of the transition process in that country. The structure of MINUSTAH was

designed to promote linkages between the peace and security and the development and humanitarian entities. The Mission is headed by the Special Representative of the Secretary-General, who is assisted by two deputies in charge of civilian affairs and humanitarian/development affairs. The Deputy Special Representative for development and humanitarian affairs is also responsible for the functions of the Resident/Humanitarian Coordinator. Moreover, the incorporation of the priorities of the Interim Cooperation Framework in the Mission's mandate, and the explicit recognition that key programmes, such as disarmament, demobilization and reintegration, are both security and development concerns, have enabled the United Nations in Haiti to respond to chronic humanitarian situations (the drought in the north) and exceptional emergencies (the hurricane-related floods at Gonaïves in September 2004), while providing transitional assistance. The combination of the functions of the Deputy Special Representative/Resident Coordinator/Humanitarian Coordinator in MINUSTAH has also facilitated links with the military and police so that operations in difficult neighbourhoods have been coupled with planning for disarmament, demobilization and reintegration, humanitarian assistance and restoration of basic services where possible.

C. Funding

53. The adequate and timely funding of transitions is essential to meet enduring humanitarian, recovery and peace consolidation priorities while simultaneously focusing on building national and local capacity. Taking into account existing and future domestic revenue streams is a critical component in determining the overall funding portfolio. In the absence of adequate domestic resources during the early stages of transition, flexible funding is needed to cover a wide range of urgent priorities, including recurrent costs associated with the payment of Government salaries so that basic Government services, may be restored. Since transition programmes depend on the coherent implementation of a variety of activities, the pace of progress also depends on funding all component priorities as identified and agreed upon during joint planning and assessment processes. In order to manage funds from multiple sources and integrate them into national planning and budget structures, stronger tracking, alignment, harmonization and simplification of working instruments must continue to be pursued. New pooled funding mechanisms, such as the multi-donor trust funds established for Iraq, Afghanistan and now the Sudan, are providing useful lessons for funding priorities identified through post-conflict needs assessment exercises, but it is also critical to ensure that flexible funding is made available in the critical months preceding the finalization of the needs assessment exercise following the signing of the peace agreement, when critical early transition activities must be put in place to facilitate stabilization efforts.

54. The availability of a mechanism to disburse external funding immediately in Afghanistan was critical to enabling the Government to function. Four days after the Afghan Interim Administration took office, as stipulated by the Bonn Agreement, the Afghan Interim Authority Fund, administered by the United Nations Development Programme was established. The Fund provided an immediate mechanism through which $72 million in donor funding could be channelled to salary payments for 240,000 civil servants, the repair of Government ministries and the purchase of basic office equipment and supplies. The Afghan Interim Authority

Fund was succeeded by the World Bank-administered Afghanistan Reconstruction Trust Fund, which aimed at channelling multilateral funding to support the national development plan, and by the Law and Order Trust Fund for Afghanistan, which provided a dedicated United Nations window to support security sector reform, including the payment of policemen's salaries and building the capacity of the police force.

55. To address continuing relief needs while advancing recovery and laying the foundations for sustainable development in Sierra Leone, the United Nations country team shifted the emphasis of the consolidated appeals process to the development of a transition appeal, which highlighted the need to address relief and recovery needs in parallel. At the same time, planning for transitional and longer-term development began at an early stage in 2002 with the formulation of a United Nations Development Assistance Framework for Sierra Leone (2004-07). The final transition appeal, in 2004, addressed residual relief needs and was designed to complement the first year of planned activities of the United Nations Development Assistance Framework.

56. In Haiti, however, the lack of a coordinated funding mechanism has hampered planning and response to urgent priorities, and has dissipated resources. The absence of a unique funding mechanism to support transition processes and programmes has made it difficult for the Government to plan ahead, track funds received and disbursed, or monitor the cost of programmes. Neither the Government nor MINUSTAH has had access to available, flexible funding that could be allocated in response to urgent priorities. Even the Government budget process is hampered by funding uncertainty. This has led to the postponement of the disarmament and rapid employment-generation programmes until a minimal amount of funding is confirmed. The receipt of funds is frequently the result of consultations among individual donors or partners and the Government, and decisions are sector- and even project-specific in many cases. This piecemeal approach, despite the existence of an agreed set of priorities contained in the Interim Cooperation Framework, means that considerable energy is devoted to project design and approval procedures, often for relatively small amounts of donor funding.

D. United Nations support to post-conflict recovery

57. A number of analytical and programming tools have been developed in the past year to facilitate the emergence of a national recovery and reconstruction plan that is based upon an internationally and nationally endorsed assessment of needs. The United Nations/World Bank post-conflict needs assessment methodology (or joint needs assessment) is a pivotal instrument underpinning such an exercise, which guides the complex and labour-intensive process carried out in partnership among multilateral, bilateral and regional actors, non-governmental organizations, civil society and representatives of national authorities. Such assessments are conducted in close collaboration with national Governments and stakeholders (including former parties to conflict, civil society, and non-governmental organizations) with a view to eliciting a national vision for the end state after the defined transition period, and shaping the recovery and reconstruction priorities and their financial implications. The United Nations/World Bank transitional results matrix is also being used to capture specific results, benchmarks, and costing implications associated with the post-conflict needs assessment, and serves as a monitoring and

accountability platform to support the dialogue between international and national actors, and between national authorities and the general public.

58. While the national plans and results matrices resulting from the needs assessment and results matrix exercises are technical documents representing the objective needs of the country, they also serve to underpin the political or peace process among national and international actors by providing a strong development platform on which to implement the national vision for peace and stability for the future. The assessments and the related national/donor coordination platforms for ongoing dialogue and monitoring have played an invaluable role in bringing together key partners around agreed priorities and requirements and provided a credible space in which to discuss progress, funding allocation, and performance of key partners against commitments.

59. Work is ongoing to establish clear linkages with other planning and appeal instruments. A variety of approaches has been adopted to help ensure that humanitarian needs continue to be met, despite the different planning time frames and actor profiles of the needs assessment and results matrix and the consolidated appeal process. There is also early experience with establishing forward linkages between needs assessment/results matrix planning and national poverty reduction strategies, as well as with United Nations Development Assistance Framework/common country assessment planning, all aimed to harmonize and make the best use of already available analysis and priority-setting exercises. The United Nations and the World Bank are also looking at the possible adaptation of the needs assessment/results matrix approach for natural disaster scenarios.

60. Experience with different funding mechanisms and, most recently, a variety of multi-donor trust fund models is providing a number of lessons for further review with regard to timing, scope and operational modalities to best support United Nations response in transition scenarios. Ongoing discussions with regard to the possible establishment of a standing peacebuilding fund could also be instructive in this regard. However, the continuing disconnect between relief and reconstruction funding modalities of many donor countries continues to be a challenge to United Nations efforts to ensure predictable and accessible resources for post-conflict response.

61. While United Nations coordination support for humanitarian response and coordination for long-term development are well established and functioning, United Nations coordination mechanisms in the transition space still suffer from significant capacity gaps. As the experience of the Indian Ocean tsunami has just taught us, the post-disaster support to the Resident Coordinator for recovery planning must be scaled up at an early stage. As recent needs assessment exercises have demonstrated in post-conflict settings, humanitarian response is still in full swing when the window of opportunity for peace opens and the United Nations system, through the Resident Coordinator, is called upon to engage in broad-based transition and recovery planning. However, the institutional and financial capacity to meet the support needs of the Humanitarian Coordinator in humanitarian response far outpaces the institutional and financial capacity to support the Resident Coordinator. This imbalance must be addressed if we are to meet effectively the complex of challenges facing us in the transition period.

VI. Implications for future action

62. The transition from relief to development following both violent conflict and disasters associated with natural hazards is complex. In post-conflict societies, poverty pervades, Government and institutional capacity remains fragile, refugees and internally displaced persons need assistance to return home, corruption may persist, unemployment is high, and there is often a continued absence of adequate social services in many areas of the country. Recovery from a major disaster is as much about rebuilding — and where possible improving — lives as it is about restoring infrastructure. Managing recovery in any transition context requires investment of funds and effort in building national capacity, empowering communities and exploiting the synergies among development, humanitarian and other actors.

63. It is critical that, in the future, disaster recovery efforts continue to focus on promoting national and local ownership of and participation in the recovery phase and support national and local capacity across a range of disaster-management activities, including response systems, preparedness measures and risk mitigation and reduction. In support of those efforts, the United Nations should continue to improve recovery service delivery and accountability by strengthening leadership and coordination support structures in the field and by improving institutional accountability at Headquarters. This may include strengthening the resident coordinator system to take on a more directive role during the transition phase and strengthening the United Nations country teams to ensure that the necessary support is provided at the right time, in a predictable manner and in the most cost-effective way through the transition period.

64. Recognizing, on the basis of past experience, that the window of opportunity to raise disaster-related funds has been short-lived and has not led to predictable or adequate funding for the recovery phase, it is critical to ensure that response to needs identified in existing resource mobilization mechanisms, such as flash and consolidated appeals, includes support for early recovery needs and transition coordination, and support Resident Coordinators and United Nations country teams to issue transitional appeals for needs not captured in these emergency appeal instruments.

65. Recognizing also that humanitarian needs continue well into the post-conflict recovery and reconstruction period but that existing humanitarian appeals do not cover the full range of early transition activities required to ensure stabilization and re-establishment of basic State infrastructure before full needs assessments can be completed, it is essential to fully fund early recovery needs identified in the consolidated appeal process, and to support Resident Coordinators and United Nations country teams in issuing early transitional appeals, where appropriate, for needs not covered by the consolidated appeal process.

Notes

[1] A detailed evaluation of the national recovery process can be found at http://www.saloneinfosys.org/encyclopedia2004/nrsAssRptDec03.pdf.

[2] The areas identified are strengthening political governance and promoting national dialogue; strengthening economic governance and institutional development; promoting economic recovery; and improving access to basis services.

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Implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples by the specialized agencies and the international institutions associated with the United Nations

Assistance to the Palestinian people

Report of the Secretary-General***

Summary

The year under review was marked by the announcement of Israel's disengagement plan from the Gaza Strip and parts of the northern West Bank, the death of Palestinian President Arafat, successful Palestinian presidential elections and cautious efforts towards a resumption of the peace process by both the Israelis and Palestinians, in spite of continued violence, which claimed lives on both sides. Internal and external closures and other measures taken by the Israeli military, although moderately alleviated towards the end of the reporting period, continued to create economic hardship for Palestinians and restrict the delivery of necessary emergency aid supplies.

While the humanitarian situation required that emergency assistance remain the priority throughout the year, United Nations agencies took steps in their programming, through technical support and capacity-building initiatives, to assist the Palestinian Authority in its efforts to refocus on longer term planning and improved governance at both the central and the municipal level.

The present report contains a description of efforts made by United Nations agencies, in cooperation with Palestinian and donor counterparts, to support the Palestinian civilian population and institutions.

* A/60/50 and Corr.1.
** E/2005/100.
*** The present report was submitted after the established deadline in order to include as much updated information as possible.

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I. Introduction

1. The present report is submitted pursuant to General Assembly resolution 59/56 of 2 December 2004, in which the Assembly requested the Secretary-General to submit to it at its sixtieth session, through the Economic and Social Council, a report on the implementation of the resolution. The reporting period was from May 2004 to April 2005.

2. Information on the living and socio-economic conditions of the Palestinian people is provided in reports prepared by other United Nations agencies and, in particular, (a) in the report of the Economic and Social Commission for Western Asia (ESCWA) on the economic and social repercussions of the Israeli occupation on the living conditions of the Palestinian people in the occupied Palestinian territory, including Jerusalem, and of the Arab population in the occupied Syrian Golan (A/59/89-E/2004/21); (b) in the annual report of the Commissioner-General of the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA) (A/59/13); and (c) in the report of the United Nations Office for the Coordination of Humanitarian Affairs entitled "Gaza on the Edge" on the humanitarian situation in the Gaza Strip (October 2004).

3. Throughout the year, the United Nations Special Coordinator for the Middle East Peace Process and Personal Representative of the Secretary-General to the Palestine Liberation Organization and the Palestinian Authority continued his efforts to support the peace process and to ensure effective coordination between the Palestinian Authority, the United Nations, the international community and the Government of Israel, as well as to document the economic and social conditions in the occupied Palestinian territory.

II. Overview of the current situation

Political context

4. The Israeli disengagement plan was announced in February 2004. The initiative to withdraw from the Gaza Strip and parts of the northern West Bank was welcomed by the international community, which, however, emphasized the need for coordination with the Palestinian Authority and the Middle East Quartet, and for implementation to take place in full compliance with the provisions of the road map. The Quartet expressed its support for the initiative in its statement on 4 May 2004.

5. The United Nations continued calling for the full implementation of the road map, endorsed by Security Council resolution 1515 (2003), and the realization of a just, lasting and comprehensive peace in the Middle East through the full implementation of resolutions 242 (1967), 338 (1973), 1397 (2002) and 1515 (2003). The Organization urged the parties to utilize the disengagement plan as a first step in returning to full negotiations. Despite the unilateral character of the plan and concerns over its economic consequences, the international community worked with both parties to ensure that Israel's withdrawal would proceed in a manner that would contribute to the reinvigoration of the Palestinian economy and a revival of the peace process.

6. Following the election of Mahmoud Abbas (Abu Mazen) as Palestinian President and the formation of a new Israeli Government in January 2005, both

sides took positive steps that raised hopes for change in the region. The parties held a summit meeting between President Abbas and Prime Minister Sharon in Sharm el-Sheikh on 8 February 2005. At the meeting, both leaders reaffirmed their commitment to the road map and agreed to end all violence and military activity against each other's people.

7. The implementation of the understandings reached at Sharm el-Sheikh did not proceed without difficulties and delays. Both sides frequently reaffirmed their commitment to coordinate the implementation of the Israeli disengagement plan, though progress remained slow until April 2005. In this context, in April 2005 the Quartet appointed outgoing World Bank President James Wolfensohn as its special envoy to oversee and coordinate the international community's efforts in support of the disengagement initiative, as well as to promote coordination and cooperation between the parties in this regard. The special envoy is to play a specific role in the methodology of withdrawal, the disposition of assets, and the envisaged post-withdrawal revival of the Palestinian economy, including investment and financing.

Humanitarian and socio-economic context

8. Overall, macroeconomic indicators for the occupied Palestinian territory showed that the economy was resilient, despite the pressures of ongoing conflict and closure. Gross domestic product growth, estimated at 3 per cent, remained positive for the second year running, though lower than in 2003. In 2004, for the first time, domestic public revenues exceeded budget projections. However, despite this positive picture, a climate of protracted social and humanitarian crisis endured through the year, punctuated by an intensification of the conflict, ongoing barrier construction and persistent fiscal crisis. Private investment, particularly in productive sectors, remained low due to an ongoing lack of confidence of potential investors in the political situation.

9. An estimated 48 per cent of Palestinians were living below the poverty line at the end of 2004, with poverty rates expected to rise if prevailing conditions persist.[1] Food insecurity declined slightly in 2003, affecting 37 per cent of Palestinians.[2] Overall, however, food consumption per capita has fallen by 25 to 30 per cent since September 2000. In general, there is greater dependence on external aid in the Gaza Strip than in the West Bank. Humanitarian assistance constituted the chief part of the household food basket in the Gaza Strip, whereas in the West Bank employment and casual labour were the main sources of household income and food.

10. Israeli restrictions on movement were a proximate cause of economic hardship among ordinary Palestinians. The restrictions became more severe in the Gaza Strip, where the conflict intensified during 2004. The Rafah crossing was closed for 86 days during the reporting period, severely disrupting the flow of people and goods to and from Gaza. The average number of daily workers in 2004 entering the Erez industrial zone dropped by 75 per cent against 2003, and the number of those crossing Erez to work in Israel dropped by 64 per cent. This decline in labour access from Gaza was a major factor in overall Palestinian unemployment, which reached 26.9 per cent in 2004.[3] At the same time, there was an increasing trend towards under-18 child labour, particularly in the Gaza Strip and the barrier-affected communities of the West Bank.[4] It is important to note, however, that the total number of workers entering Israel and crossing into the Erez industrial zone began to increase significantly as of mid-February 2005.

11. Imports from Israel, through the main commercial terminal between the Gaza Strip and Israel at Karni rose by 5 per cent, though exports dropped by 30 per cent in 2004 compared with 2003. During the first quarter of 2005, imports through Karni declined by 18 per cent and exports by 39 per cent compared with the same quarter in 2004.[5] Internal checkpoints restricted movement between the northern, central and southern parts of the Gaza Strip. The barrier, together with more than 700 roadblocks, disrupted the flow of goods and people within the West Bank, as well as to and from Israel. The Allenby bridge remained the only international crossing for West Bank Palestinians.

12. On 9 July 2004, the International Court of Justice rendered an advisory opinion pursuant to General Assembly resolution ES-10/14 of 8 December 2003. The opinion stated that the construction of the wall "constitutes breaches by Israel of several of its obligations under the applicable international humanitarian law and human rights instruments". On 20 July 2004, the General Assembly adopted resolution ES-10/15, which acknowledged the Court's advisory opinion, demanded that Israel comply with its legal obligations and called on all Member States to comply as well. The resolution also requested the Secretary-General to establish a register of barrier-related damages. The register is expected to be established later in 2005.

13. Israel continued its construction of the barrier in the West Bank, contrary to the advisory opinion of the International Court of Justice of 9 July 2004 and General Assembly resolutions ES-10/13 and ES-10/15. By early 2005, the barrier was approximately 205 km long, of which 24.1 km consisted of concrete slabs and 181 km was fence-like in structure. A further 72.1 km was under construction. Approximately 157,800 acres lies between the barrier and the Green Line, affecting an estimated 93,200 Palestinians located in these areas. Land confiscations combined with access restrictions associated with the barrier were estimated to have cost Palestinians approximately $320 million in lost property and income,[1] while the barrier made Palestinian access to Israel's labour and commodity markets more difficult.[6]

III. United Nations response

A. Human and social development

14. Ongoing social and economic hardship, compounded by the intensification of the conflict in some areas, meant that shifting the bulk of investments from humanitarian to development programmes was delayed for much of the reporting period. However, with favourable steps taken by both parties towards the end of 2004, several United Nations agencies gave greater attention to medium-term planning and programming, in line with the priorities set out by the Planning Ministry of the Palestinian Authority. In so doing, a number of United Nations agencies also agreed to begin harmonizing their assessment of programme requirements in the occupied Palestinian territory. A key challenge for the United Nations within the framework of its commitment to support the creation of a viable Palestinian State is to ensure increasing technical and capacity-building support for public institutions.

Education

15. United Nations technical agencies have made significant investments in the education sector. This was led by $131 million in expenditure by UNRWA on 273 elementary and preparatory schools, which catered for some 254,000 pupils. The United Nations Educational, Scientific and Cultural Organization (UNESCO) provided technical assistance in specific areas including the Education for All initiative, technical and vocational education and training, early childhood education, teacher training, adult literacy, inclusive education and higher education. UNESCO financed and technically supported the first ever Education for All conference in Ramallah in April and May 2004, which launched the Palestinian Education for All national action plan currently being implemented.

16. The United Nations Children's Fund (UNICEF) undertook a programme to promote learning in child-friendly environments. In addition to the 68 schools that were supported in 2004, 32 more have been added in 2005. The programme involves community awareness meetings and the training of 800 teachers and 100 school principals in the child-friendly school concept, with an emphasis on non-violence.

Health

17. Investments in health care also remained a priority for specialized United Nations agencies during the reporting period. At a cost of $32 million, UNRWA continued to operate 54 health facilities providing comprehensive primary health care, supplied rehabilitation services at physiotherapy clinics in 12 of its facilities and operated one 63-bed hospital. The World Health Organization (WHO) invested $2.5 million in priority development activities in maternal and child health, communicable and non-communicable diseases, nutrition, mental health, food safety and the essential drugs list. With development investments of approximately $1.4 million, the United Nations Population Fund (UNFPA) focused on improving the accessibility of 42 primary health-care facilities offering reproductive health services, and of 11 comprehensive care facilities. United Nations Development Programme (UNDP) efforts in the sector centred on infrastructure support for essential health clinics in remote villages, such as the recently inaugurated clinic of Hija in the Governorate of Qalquilya.

18. The United Nations Office on Drugs and Crime focused on the prevention of drug abuse and related HIV/AIDS. Representatives of participating non-governmental organizations from Gaza and the West Bank attended a training workshop held by the Office on Drugs and Crime in Cairo from 5 to 7 July 2004, during which they received training on effective HIV/AIDS prevention among injecting drug users, as well as on the preparation and planning of outreach programmes targeting the said users. Following the training workshop, the non-governmental organizations completed their project proposals with the assistance of an Office on Drugs and Crime consultant. The organizations subsequently received Office on Drugs and Crime seed funds amounting to $25,000 for Gaza and another $25,000 for the West Bank, to implement outreach activities aimed at the prevention of HIV/AIDS among injecting drug users.

Multi-sector development support

19. The World Bank balanced ongoing emergency efforts with a renewed focus on a medium-term development agenda. It monitored and analysed emerging socio-

economic developments and donor interventions and advised the Palestinian Authority, the United Nations and the donor community on economic development priorities and strategies. The Bank's ongoing portfolio in the occupied Palestinian territory consisted of 14 projects valued at $164 million, with disbursements of over $50 million during the reporting period. Key areas of intervention included water, health care, education, social services and the private sector. The United Nations Human Settlements Programme (UN-Habitat) allocated some $5 million to improve the general housing conditions of the Palestinian people. Under its regular programme, UNDP provided some $5.8 million in infrastructure support across a wide range of social sectors.

Targeted social assistance

20. Significant allocations were made to meet the needs of chronically and newly vulnerable Palestinians during the reporting period. The World Bank's $10 million social safety net project aimed at mitigating the impact of the crisis on the most vulnerable, protect poor children and strengthen the institutional capacity of the Ministry of Social Affairs. The UNRWA Relief and Social Services Programme focused on the most vulnerable refugees, recognizing also the increasing burden of poverty that falls on women. In total, $17 million was allocated through April 2005 in cash assistance and food aid. Forty-four per cent of the families now receiving support through this targeted programme are headed by women.

21. The World Food Programme (WFP) and the Food and Agricultural Organization of the United Nations (FAO) identified vulnerable non-refugee beneficiaries for targeted support in food-insecure areas. UNICEF activities covered the areas most affected by closures, demolitions, military incursions and the barrier. To ensure services to the most vulnerable, UNICEF established offices in Gaza, Hebron, Tulkarem, Nablus and Jenin. UNFPA assisted women of reproductive age from geographically isolated areas who were at risk of increased maternal mortality and morbidity, through 313 trained women volunteers in 105 community support teams. At the same time, WHO advocated for safe access to health facilities for all Palestinians.

Human rights and women

22. The United Nations Development Fund for Women (UNIFEM) focused its efforts on increasing the participation of Palestinian women in social, economic and political life, to empower them as agents of change and enable them to cope better with the effects of the crisis. In all its activities, UNIFEM encouraged compliance with international human rights standards, and in particular with the Convention on the Elimination of All Forms of Discrimination against Women. UNIFEM investment in these activities amounted to $100,000 for 2004.

23. The Office of the United Nations High Commissioner for Human Rights (OHCHR) continued its technical assistance programme in support of the rule of law and administration of justice, and in human rights education and awareness. OHCHR activities were carried out in partnership with the Palestinian Authority, the Palestinian Independent Commission for Citizens' Rights, non-governmental organizations and the education sector. Together with the Ministry of Women's Affairs, the Office conducted a workshop on the role of Palestinian women in promoting human rights.

24. UNRWA supported 102 community-based facilities targeting particularly vulnerable segments of the Palestinian refugee community, such as women, children and the disabled. The centres, which encouraged women to play a more public role in society, revealed a strong growth in management, finance and administration skills among refugee women.

25. UNESCO activities included a $110,000 project aimed at eliminating gender disparities, implemented with the Ministries of Education and Higher Education in cooperation with the Ministry of Women's Affairs. UNESCO also initiated a capacity-development programme that included a series of training workshops providing technical guidance and counselling for students in four selected girls' schools in the West Bank. An agreement was reached to establish a Palestinian women's resource centre, intended as a clearing house for information on women's issues and as a networking, advocacy and policy research centre. UNICEF also initiated a programme to promote and monitor the rights of children and women, and supported the development of a draft juvenile justice law and a draft penal code. In addition, UNICEF initiated studies on child labour, child detention and violence against children.

Millennium Development Goals

26. Following its Millennium Development Goals report in 2003, UNDP worked to promote the relative agenda among United Nations agencies, Palestinian groups and international partners. In addition, UNDP supported the efforts of the Ministry of Planning to align Palestinian medium-term development priorities with the Millennium Development Goals.

B. Support for Palestinian institutions

27. A critical aspect of institutional support during the reporting period was the emergency financing of the Palestinian Authority's recurrent budget costs. Salary support was a particularly high priority, given the importance of public sector salaries for individual Palestinian livelihoods and for the economy as a whole. The World Bank served as administrator for the multi-donor public financial management-reform trust fund, which as of May 2005 had disbursed over $198 million in budget support to the Palestinian Authority. Emergency disbursements represented more than 80 per cent of the total over the period. The World Bank's own operations included a number of emergency services support projects, designed to mitigate the deterioration in education, health and social welfare services by financing the goods and services necessary to sustain their delivery. The Bank's contribution of $60 million to these projects leveraged more than $115 million from other donors. The projects were critical in covering the non-wage funding gap for key social ministries.

28. In addition to budget support, some $10 million was invested by United Nations agencies in technical assistance and capacity-building activities directly benefiting the Palestinian Authority. UNDP invested over $6 million in public institutions, including the provision of direct financial and technical support for the Palestinian Central Elections Commission in the organization of the presidential elections in January 2005. In the area of environmental management, UNDP helped to establish the Palestinian Energy Centre and to introduce the first Palestinian

building code, a first of its kind in the Arab world. The building code provides a blueprint for Palestinian engineers and architects to design and construct buildings that maximize the conservation of energy.

29. WHO actively participated in a health sector review led by the Ministry of Health in coordination with the European Commission, the World Bank, Italy and the United Kingdom of Great Britain and Northern Ireland. WHO supported the Ministry of Health in formulating and implementing national health policy, particularly in the areas of mental health, nutrition, food safety and essential drugs, while also assisting it to prepare an official report on the state of nutrition in the occupied Palestinian territory. WHO continued to develop and expand the "Health Inforum" information management system, which assisted decision-making during health emergency coordination meetings. WHO also supported technical exchanges on environmental and public health issues by promoting linkages between six European and six Palestinian cities.

30. Also in the health sector, UNFPA capacity-building measures included training the statistical units of five ministries in the areas of population and reproductive health, as well as technical assistance for policy and strategy development. An experts' retreat was sponsored by the Ministry of Planning in April 2004 to discuss potential population issues and policy implications for the Palestinian Authority vis-à-vis development needs. UNFPA provided training to teachers and counsellors in the public school system on issues relating to reproductive health and assisted in developing a curriculum on sexual and reproductive health education for the Ministry of Education. UNICEF provided all necessary information technology infrastructure as well as funding for the training of health staff in the implementation of a harmonized management information system between the Ministry of Health and UNRWA for the immunization programme, allowing the Palestinian Authority to have comprehensive data for all districts in the West Bank.

31. FAO contributed to the establishment of a food insecurity and vulnerability information monitoring system, hosted by the Palestinian central bureau of statistics. Beginning in 2005, the database will enable user-friendly access by stakeholders to updated, comprehensive and policy-relevant information on nutrition, food security and vulnerability. As part of its transition towards longer-term relief and recovery operations, WFP began planning structured capacity-building, increased Palestinian Authority involvement in programme implementation, and gave comprehensive technical support to the Ministries of Social Affairs and Agriculture.

32. Among its capacity-building activities, UNICEF worked with the Ministries of Education and Health to address violence in schools, in line with the intent of the International Decade for a Culture of Peace and Non-violence for the children of the world. Three hundred school counsellors from the Ministry of Education were trained, with over 300 still to receive training. A child-friendly schoolteachers' manual and a life skills-based education training manual were produced with the Ministry. UNESCO provided extensive technical assistance and policy and planning advice to the Ministry of Education and Higher Education in the preparation of the Ministry's second medium-term strategic plan. OHCHR worked with the Judicial Education Committee to integrate human rights into the training programme, with the Police Academies in Gaza and Jericho to build human rights into the training

curriculum for law enforcement officials, and with the Ministry of Education regarding human rights education programmes.

33. In the area of culture, UNESCO helped the Ministry of Culture to develop an integrated cultural policy for the Palestinian Authority and to organize, following an interval of four years, the Sixth International Book Fair intended to increase Palestinian access to worldwide knowledge. Approximately half a million books were sold to some 100,000 visitors during the event in March 2005. UNESCO also implemented a comprehensive capacity development programme with the Ministry of Tourism and Antiquities to strengthen the Ministry's ability to plan, manage and monitor cultural heritage protection. As a result of this programme, a list of Palestinian cultural and natural heritage sites has been prepared for the first time.

34. In the area of economic development, the United Nations Conference on Trade and Development (UNCTAD) continued to provide the Palestinian Authority and civil society with a range of technical assistance, advisory services and capacity-building projects, covering areas such as customs administration and automation, development strategies, trade policy, investment retention, public debt management and trade facilitation. Cumulative donor commitments to UNCTAD projects between 2001-2004 have amounted to $2.2 million to date, of which over $1.5 million has been spent. The International Labour Organization (ILO) assisted Palestinian employers' and workers' organizations, and contributed to developing a fund for employment and social protection, established by presidential decree to coordinate all financial and technical assistance for employment creation. The ILO also helped the Ministry of Labour to strengthen its labour market information system and to create an employment task force. In partnership with the Ministry of Social Affairs, ILO supported the establishment in Hebron of a vocational and rehabilitation centre for people with disabilities and special needs. The amount invested in these activities by ILO was nearly $5 million.

35. In other technical areas, the International Atomic Energy Agency assisted the Palestinian Authority with agricultural pest control. A team of six from the Ministry of Agriculture continued receiving technical support in the application of isotope and radiation technologies to control and monitor the Mediterranean fruit fly population in the Gaza Strip. UN-Habitat began supporting the Palestinian Authority in urban planning and development, as well as in efforts to develop a housing policy for the occupied Palestinian territory.

36. In addition to support for public institutions, United Nations agencies continued to play a role in promoting the activities and development of civil society, particularly through partnerships with Palestinian and international non-governmental organizations. OHCHR finalized agreements with the Palestinian Independent Commission on Citizens' Rights, a Palestinian human rights institution, for a joint programme that will include capacity-building initiatives, and continued to work closely with the broader community of non-governmental organizations involved in human rights through awareness-raising activities and training on international human rights mechanisms. Through its six field coordination offices, the Office for the Coordination of Humanitarian Affairs was an important focal point for United Nations interaction with humanitarian non-governmental organizations.

C. Development of the private sector

37. While the recovery of the Palestinian economy hinges on the broader political situation and status of the internal and external closure regime, much depends on the channelling of private sector skills and resources towards growth-productive and employment-intensive sectors, such as agriculture, construction and manufacturing. Although higher bank lending rates during 2004 indicated a spontaneous renewal in private economic activity and risk taking, the recovery by the private sector witnessed in the first months of 2005 was increasingly articulated as a strategy of choice, among Palestinians and the international community, for generating economic growth during the post-disengagement period. In this context, several United Nations organizations sought to support the Palestinian private sector.

38. Prominent among these was the UNWRA microfinance programme, which disbursed some 15,000 loans valued at over $17 million to small businesses, maintaining a repayment rate of over 90 per cent. The UNDP programme for rural and economic development involved investments of some $5 million in new projects for land reclamation and integrated rural development. In addition, FAO and UNDP assisted the Ministry of Agriculture in developing an agricultural revitalization programme to promote agricultural activities throughout the occupied Palestinian territory. Within this framework, FAO began implementing a $1.5 million project to support horticulture, animal husbandry and agricultural marketing in four districts of the West Bank and the Gaza Strip. Also prominent were two ongoing World Bank private sector projects, including a $10 million programme to develop the Gaza industrial estates, and a $17 million Palestinian housing project.

39. The Arab-International Forum on Rehabilitation and Development in the Occupied Palestinian Territory: towards an Independent State was an important regional initiative organized by ESCWA in October 2004. The event brought together major Arab, Islamic and Western financial institutions, international organizations, Palestinian business leaders and representatives of the Palestinian Authority to explore options for future private sector growth in the occupied Palestinian territory.

D. United Nations emergency assistance

40. Given the ongoing political instability and economic hardship during most of the reporting period, a large proportion of United Nations assistance to the occupied Palestinian territory was directed towards short-term, emergency responses. Operations were frequently affected by restrictions on the movement of goods and personnel. As the political situation appeared to improve in the first months of 2005, the increasing attention of donors to medium-term assistance agendas resulted in a relative decline in support for emergency programmes.

Emergency food and agriculture support

41. According to UNRWA, food support was provided to almost 30 per cent of the refugee population of the occupied Palestinian territory, i.e., 95,000 families in the West Bank and 127,000 families in the Gaza Strip. Restrictions on movement and declining donor support, however, required UNRWA to scale back its core

emergency interventions, including food aid. As a result, there was a 30 per cent reduction in the nutritional value of food distributions in the West Bank.

42. WFP opened its third consecutive emergency operation in September 2004. The operation, which directed food support to 480,000 non-refugee Palestinians, was aimed mainly at supporting livelihoods and to prevent a worsening of the nutritional status of the most vulnerable Palestinians. WFP began addressing its humanitarian access problems to Gaza through purchasing 93 per cent of its food commodities locally within the Strip. In addition, WFP has injected over $10 million into the economies of Gaza and the West Bank, by local purchases of wheat flour, olive oil and other food commodities. Between 1 April 2004 and 31 March 2005, WFP delivered over 70,000 metric tonnes of food aid to almost 400,000 beneficiaries, at a total expense of $35 million.

43. FAO supported the rehabilitation of destroyed and damaged greenhouses. A $1 million emergency project included agricultural inputs and equipment, as well as numerous training courses for technicians and farmers on greenhouse construction and management and new cultivation methods.

Emergency employment support

44. The UNRWA job creation programme prioritized refugees with large families, supporting livelihoods with a remuneration of $10 to $12 per day per worker (an average of $2 per dependent per day). Employment programmes contributed to the repair of refugee camp infrastructure and the renovation of agency facilities. UNDP mobilized $58 million from Arab, Asian and Western donors for labour-intensive infrastructure projects. Of this amount, $18 million was spent on emergency employment programmes. WFP provided food-for-work and food-for-training support for 39,700 workers from recently impoverished households, benefiting some 238,000 family members.

Emergency health support

45. Access for Palestinians to preventative and curative health services remained good overall. However, many Palestinians faced delays in access to medical treatment due to closure, and access to mental health treatment was insufficient to cope with the increase in conflict-related psychological disorders. Critically, it was estimated that households located in areas crossed by the barrier were 80 to 300 per cent more likely to experience difficulty in access to health services. Drops in income limited the ability of many households to pay for private health care. Access to hospital care for hardship social cases and Palestinians living below the poverty line was half that of those living above the poverty line.

46. UNRWA ran five mobile units in 2004, although plans to add two more in 2005 are on hold due to funding shortfalls. A total of 112,966 patients were seen in 2004 at a cost of $2 million. UNRWA also participated in a measles and vitamin A campaign, launched in collaboration with UNICEF and the Ministry of Health, during which 85,000 children below five years of age were vaccinated. UNICEF procured all necessary vaccines and vaccine-related supplies for the Palestinian Authority and UNRWA immunization clinics for 2005. In partnership with non-governmental organizations and the Palestinian Authority, UNICEF also provided emergency health kits, midwifery and obstetric kits, and generators to assist 10,000 people residing in Gaza Strip enclaves.

47. UNICEF and its non-governmental organization partners established nine psychosocial emergency teams of approximately 20 qualified professionals each, in order to address the conflict-related distress of children and their caregivers. In total, 4,700 children affected by violent incursions and house demolitions attended debriefing sessions. A further 14,600 caregivers were acquainted with techniques on how to detect signs of distress in children and to provide them with adequate support. Approximately 60,000 children were reached indirectly through this project. UNICEF also worked closely with the national Mine Action Committee in reviewing the national strategy and in training trainers for mine risk education. A media campaign was launched in the Gaza Strip after the incursions in September and October 2004, to create awareness of the dangers of unexploded ordnance. UNRWA provided psychosocial counselling to nearly 70,000 refugee children during the 2003-2004 school year.

48. A $1 million UNFPA emergency relief programme supported an obstetric care needs assessment in the areas isolated by the barrier; it involved the training of 195 health personnel and the procurement of 200 emergency kits to reduce the risks of maternal and infant mortality. WHO provided emergency coordination and distributed medical equipment, emergency health kits and other supplies.

Emergency education support

49. In the 2003 and 2004 academic years, 272 UNRWA schools in the West Bank and Gaza were closed for a collective total of 391 days. UNRWA attempted to address the challenges to its educational programmes by conducting remedial classes. The programme was suspended in the Gaza Strip in 2003 due to funding shortfalls, but started up again in 2004 to provide services to some 33,000 students in the West Bank.

50. UNICEF spent $4 million on emergency education assistance to families during the military operations in the Gaza Strip. Approximately 20,000 children were provided with remedial worksheets, school bags and stationery items, as well as basic clothing items. Some 375 school-in-a-box kits were distributed to the most severely affected schools in Gaza, serving an estimated 30,000 students.

Emergency infrastructure support

51. Israeli military incursions and house demolitions intensified during the reporting period. Approximately 1,350 houses were partially or completely destroyed in the Gaza Strip, affecting some 10,000 people. As a result, the United Nations increasingly focused on the immediate need to rebuild shelters and repair roads and water and sanitation systems.

52. UNRWA allocated $6 million to shelter reconstruction and repair in the Gaza Strip, and completed the construction of over 300 new homes in Khan Younis and Rafah, where 80 per cent of house demolitions have occurred. In the Gaza Strip, UNRWA also supported the repair of roads, sewage and water systems and UNRWA installations, the bulk of which was related to damage incurred in Rafah in May 2004. In the West Bank, UNRWA provided grants to individuals for emergency shelter repair, and completed the Jenin Camp Reconstruction Project, costing $27 million, in December 2004. The project included 435 new homes and related community infrastructure. Since September 2000, the total grants for shelter repair

in the West Bank amounted to $3.4 million, while in the Gaza Strip $21.7 million has been allocated to shelter repair and reconstruction.

53. Emergency infrastructure programmes implemented by UNDP covered a wide range of public services and municipal utilities, schools, hospitals, clinics, roads, sanitation systems and water treatment facilities. Expenditure for emergency infrastructure support amounted to $11 million.

E. Coordination of United Nations assistance

54. The Office of the Special Coordinator for the Middle East Peace Process and Personal Representative of the Secretary-General to the Palestine Liberation Organization and the Palestinian Authority continued its coordination of United Nations assistance to the Palestinian people and its representation of the United Nations system at donor forums. It remains the co-chair of the all-donor Local Aid Coordination Committee and vice-chair of the Humanitarian and Emergency Policy Group; it also participated on behalf of the United Nations at the December 2004 meeting of the Ad Hoc Liaison Committee in Oslo and at the London meeting of March 2005. Locally, the Office of the United Nations Special Coordinator for the Middle East Peace Process convened regular coordination meetings of United Nations agencies and several extraordinary meetings on issues of special policy interest to the United Nations. In order to strengthen a single voice for the United Nations in the region, the Office also served as co-chair of the United Nations Advocacy and Public Information Committee. In late April 2005, the Office began serving as the focal point for coordination between the United Nations system and the new office of the Quartet Special Envoy for Disengagement, Mr. Wolfensohn.

55. In the second half of 2004, the Office for the Coordination of Humanitarian Affairs led in the preparation of the 2005 consolidated appeal process, under which a total of over $302 million was requested to finance activities for 11 agencies and five non-governmental organizations; it also established a database to monitor the progress of consolidated appeal-related projects. The 2005 appeal focused attention on preventing a further deterioration of the socio-economic situation, ensuring civilian protection and targeting of emergency assistance to locations with acute humanitarian needs arising from the conflict, notably in the Gaza Strip, Nablus and Hebron. For the first time, the 2005 appeal preparation benefited from a gender adviser, provided by UNIFEM, to mainstream gender issues in the annual appeal. By May 2005, the Office had received $953,000 in donor contributions through the 2005 consolidated appeal process.

56. On the ground, the Office for the Coordination of Humanitarian Affairs coordinated emergency operational responses and humanitarian assistance from its Jerusalem headquarters and its field offices located in the Gaza Strip, Hebron, Ramallah, Jerusalem, Nablus and Tulkarm. Humanitarian responses were coordinated by liaising with local authorities and municipalities, United Nations agencies and NGO partners. The Office's humanitarian coordination costs for 2004 amounted to some $2.8 million from voluntary donor contributions.

57. In the latter months of 2004, the United Nations country team, led by a core group of agencies and facilitated by the United Nations Development Group, began discussions to initiate a common assessment of medium-term development needs and programme requirements for the occupied Palestinian territory. The objectives

of the joint assessment, which would take place later in 2005, were to promote a gradual harmonization of United Nations programmes and to strengthen their consistency with the central development priorities of the Palestinian Authority.

Humanitarian access

58. Access for humanitarian personnel of all agencies and emergency supplies to the Gaza Strip was particularly problematic due to Israeli restrictions and repeated closures at Erez, Karni and Rafah terminals during the reporting period, even forcing a three-month suspension of food distributions by UNRWA in Gaza between June and September 2004. The restrictions violate established principles of international law, and moreover raise transaction costs for operational agencies, which are ultimately borne by the international community. Since October 2000, cumulative costs incurred due to additional storage, demurrage and transport amounted to $10.6 million by February 2005. In the same period, staff-related costs of closure amounted to almost $20 million.

United Nations media and public information activities

59. As part of their mandated advocacy work, the United Nations agencies continued to work closely with international and local media to draw attention to and provide information on the situation of the Palestinian people and about the United Nations presence in the region. A new inter-agency coordination mechanism, joint and agency-specific press releases, media information tours, press conferences and a number of other media activities were carried out to inform the public about the humanitarian situation in the occupied Palestinian territory. A prominent new public outreach initiative launched during 2004 was the WHO *Bridges* magazine, conceived and produced jointly by Israeli and Palestinian health professionals. For its part, UNESCO provided expert advice to media institutions, assisted in the preparation of the media legislative framework and supported activities in television and radio productions (with special emphasis on children's programmes). UNESCO also promoted a media training centre in Gaza and provided equipment and training to the Palestinian news agency and other media centres in the West Bank.

IV. Donor response to the crisis

60. Donor assistance continued to be channelled towards immediate emergency and humanitarian priorities, although towards the end of 2004 attention was increasingly centred on requirements for economic recovery over the medium term. This shift was inspired by the Palestinian Authority's success in managing the leadership transition following the death of President Arafat, the positive steps that were subsequently made with Israel on the political track and a relative reduction in violence. Despite these initial steps, a fiscal crisis within the Palestinian Authority required emergency budget support towards the end of the year. Donors generally agreed that economic recovery, and the additional injections of assistance that it would require, would need to be based on evidence of progress on the ground, particularly in easing the closure regime and bringing about critical reforms in the Palestinian Authority.

A. Emergency budget and fiscal support

61. Internal revenues of the Palestinian Authority were strong, reaching pre-September 2000 levels by the third quarter of 2004, with gross revenue up 30 per cent from 2003. By the end of 2004, domestic tax revenues were 37 per cent higher than in 2003; non-tax revenues similarly increased by 21 per cent, excluding profit transfers from the Palestinian monetary fund. Overall, even though total revenues for 2004 exceeded budget projections by over $100 million, external donor support did not meet projections. This shortfall, together with a 17 per cent rise in public sector wage costs, left an estimated $160 million financial gap by the fourth quarter of 2004, resulting in a 57 per cent increase in public sector bank borrowing. Budgetary aid came primarily from the European Union, Saudi Arabia and the World Bank public financial management-reform trust fund (see para. 27). Budget projections for 2005 point to continued strong total revenue performance, with an increase of 8.4 per cent above 2004 levels.

B. Support for Palestinian reform

62. The Task Force on Palestinian Reform continued to monitor and support the Palestinian reform process in the areas of elections, financial accountability, the judicial sector and rule of law, legislation, market economy, local government and public administration, and worked with the Palestinian Authority Reform Coordination Support Unit to develop a one-year reform action plan. A number of donors expressed interest in supporting the reform plan, raising hopes for targeted funding to support certain components of the reform effort.

63. Overall, there was positive progress in the areas of elections and financial accountability, which enjoyed strong donor support. Progress was slower in the judicial sector, however, in part due to unresolved conflicts between judicial authorities. In the legislative and the municipal sectors, the Task Force reported that a frequent lack of political will among different parties, financial strains on the Palestinian Authority and intensification of the conflict combined to hinder further progress. The transition in the leadership of the Palestinian Authority towards the end of 2004, renewed dialogue with Israel and a renewed commitment by key international donors offered new promise for the reform agenda in 2005.

C. Donor coordination

64. To address the economic crisis, the main donor coordination body, the Ad Hoc Liaison Committee, met in Oslo on 8 December 2004. The World Bank report discussed at the meeting acknowledged disengagement as a potential opportunity for economic renewal, but also stressed the need for an easing of the existing closure regime and significant progress by the Palestinian Authority in the areas of security and institutional reform. The donors endorsed the findings of the report, and agreed that the World Bank, in consultation with them, would develop a set of indicators against which the performance of both parties could be measured. Donors concluded that disengagement should be implemented on the basis of close coordination among the parties, within the context of the road map.

65. At the local level, donor coordination efforts continued through the Local Aid Coordination Committee and its sub-structures: the Humanitarian and Emergency Policy Group, the Task Force on Project Implementation and the Sector Working Groups. The Committee itself met on 13 occasions.

66. In follow-up to the London meeting of 1 March 2005, consultations were initiated in the international community to review and mainstream donor assistance coordination structures. The aim of this process was to better integrate international assistance and reform efforts, enhance the leadership role of the Palestinian Authority in aid management and ensure more effective donor coordination. Options for renewed donor assistance coordination structures were presented to the Palestinian Authority in April 2005.

V. Challenges ahead

A. Political, economic and social challenges

67. Despite positive initial steps by both parties towards the end of 2004 and early 2005, a primary political challenge ahead remains the institution of a comprehensive political dialogue, and follow-up on the parties' respective commitments and obligations under the road map. The international community, the United Nations and the Quartet will need to seize the opportunity by redoubling their efforts to achieve the full implementation of the road map, as endorsed by the Security Council in its resolution 1515 (2003).

68. Progress on the social and economic front will continue to face several challenges. Unless significantly eased, internal and external closures will continue to be serious obstructions to economic recovery and development opportunities for the majority of Palestinians. Reform of Palestinian public institutions, and improving their capacity to assume increasing leadership in aid management, development planning and effective social service delivery, will constitute additional challenges, the urgency of which will be highlighted during and immediately after disengagement. The United Nations system will be required, actively and coherently, to identify opportunities to support Palestinian institutions during this critical period.

69. An immediate challenge will be to generate tangible improvements in the quality of life for Palestinians both in the West Bank and the Gaza Strip, while also laying the ground for long-term economic recovery.

70. Despite an apparent stabilization of the economy and growth in private sector activities since 2003, progress towards economic recovery is unlikely to benefit all Palestinians comprehensively or equitably. Many refugee and non-refugee Palestinians who lost assets and livelihoods during the years of the second intifada are likely to increase the numbers of the chronically poor, and will require targeted social assistance over the medium term. Public institutions are likely to remain only partially able to finance and implement large-scale social assistance programmes in the near term. As such, significant financial support from the international community will continue to be needed. Active steps will have to be taken to ensure that such support effectively strengthens the social planning and delivery capacities of the Palestinian Authority.

71. In operation terms, closures, security restrictions and uncertainty over the full respect by Israeli authorities for United Nations privileges and immunities are likely to continue to pose important challenges to access for, and consequently to the implementation of, United Nations assistance programmes. In order to meet this challenge, United Nations agencies, with support from their respective headquarters, will need to adopt a more robust common approach to access.

B. Unmet and emerging requirements

72. For the majority of United Nations agencies, immediate support will be needed to address persisting problems of poverty, social vulnerability and food insecurity through a combination of measures, including employment creation, small-scale credit, the delivery of essential social services and targeted food assistance in cases of acute need. Such immediate requirements were analysed and framed during 2004, for a three-year time period, under a national programme for social protection as part of the Palestinian Authority's medium-term development plan.

73. Barrier-affected communities will have an increasingly wide set of needs, but responses will continue to pose complex legal, social and political problems for donors and international organizations. In particular, the legal implications of various types of humanitarian assistance, including the provision of temporary social services, merit careful consideration as part of the design phase of individual projects. The Ministry of Planning has initiated a process to assist international partners in selecting projects that are compatible with international legal obligations. Moreover, the Local Aid Coordination Committee will continue to explore with donors and international organizations appropriate programme interventions for barrier-affected populations. There are also concerns that the completion of the barrier, which will impede access between East Jerusalem and the West Bank, will have significant adverse effects on the operations of those United Nations agencies that rely on the movement of national staff complements between the said areas.

74. Short-term needs associated with the disengagement plan are likely to include the pre-positioning of supplies, food commodities and preparedness of emergency services, in anticipation of potential political or security contingencies during and immediately after Israeli withdrawal. Longer-term United Nations programme requirements resulting from disengagement are likely to be complex, and will depend on the nature and extent of the withdrawal itself and of territorial and commercial linkages with the remainder of the occupied Palestinian territory, Israel and the region. Future needs will also depend on the ability of the Palestinian Authority to project authority, ensure effective administration and deliver effective public services, including public security, in the areas of Israeli withdrawal.

VI. Observations

75. There have been positive political developments towards the end of the period covered in the present report, with both the Palestinians and the Israelis reaffirming their commitment to the road map and the cessation of violence. Reaching a peaceful solution to this conflict, which continues to claim lives and devastate communities, however, will require that both sides follow through with those

commitments. While it is hoped that emerging opportunities can be realized, Palestinians will continue to face severe socio-economic hardship and formidable challenges in the areas of reform and governance in the year ahead.

76. Within this context, United Nations agencies, donors and humanitarian organizations will need to meet a wide variety of programming needs regarding assistance to the Palestinian people in 2005 and 2006, while balancing short-term emergency requirements with a coherent development focus on the medium and long term. Therefore, it is vital that the international community continue to provide the necessary resources for assistance programmes for the Palestinian people.

77. The parties must make every effort to facilitate the work of United Nations agencies and partners in the donor and aid communities. I call especially upon the Government of Israel to ease restrictions and work closely with United Nations agencies, donors and humanitarian organizations to ensure that aid and development projects are delivered in a timely and comprehensive manner. Effective steps by the Palestinian Authority to lessen Israel's security concerns would facilitate such an effort.

78. While international assistance can alleviate the suffering of the Palestinian people, only a peace process and a full and final settlement of the conflict will enable a shift from crisis management and recovery to sustained and sustainable development and prosperity. Such a settlement can be achieved through the full implementation of the Quartet's road map, designed to resolve the Israel-Palestinian conflict and end the occupation that began in 1967.

79. The broader aim of the United Nations and, indeed, the entire international community, remains the realization of a just, lasting and comprehensive peace in the Middle East, based on Security Council resolutions 242 (1967), 338 (1973), 1397 (2002) and 1515 (2003), and the establishment of a sovereign, democratic, viable and contiguous Palestinian State living side-by-side in peace with a secure Israel.

Notes

[1] World Bank, *Stagnation or Revival? Israeli Disengagement and Palestinian Economic Prospects*, December 2004.

[2] Out of the total estimate of 1.3 million food-insecure Palestinians, 560,000 are refugees and 750,000 non-refugees. Half of the governorates of the West Bank and Gaza has remained at the same levels of food insecurity, a quarter has become more food insecure while a quarter has improved.

[3] According to ILO definition.

[4] According to surveys conducted by the Graduate Institute of Development Studies in 2001, 2002 and 2003, the number of children working has risen from 10 per cent to 23 per cent.

[5] Calculation by the Office of the United Nations Special Coordinator for the Middle East Peace Process based on commodities flow data from the Palestinian Authority Ministry of Finance and the National Security Force.

[6] Office of the United Nations Special Coordinator for the Middle East Peace Process, *Economic Adaptation and Fragmentation in the rural West Bank* (unpublished).

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Item 7 (i) of the provisional agenda*
Coordination, programme and other questions: calendar of conferences and meetings in the economic, social and related fields

Letter dated 24 June 2005 from the Chairman of the Committee on Conferences to the President of the Economic and Social Council

In response to the invitation of the Economic and Social Council in its decision 1988/103, the Committee on Conferences met on 22 June 2005 to review the provisional calendar of conferences and meetings for 2006 and 2007 in the economic, social and related fields.[1] The Committee welcomed the opportunity to review the provisional calendar of conferences and meetings and to provide, as appropriate, its recommendations thereon to the Council.

In introducing the provisional calendar, the Secretary of the Committee drew the attention of the Committee to some important guidelines, also referred to in the preamble, which had been established by the General Assembly and the Economic and Social Council in their resolutions and decisions on the calendar of conferences and meetings. Those guidelines included the Council's decision to biennialize the sessions of its subsidiary bodies. It was noted that a number of subsidiary bodies had yet to comply with the Council's decision on that matter. Moreover, the United Nations conferences and summits of the 1990s had, in their follow-up, made specific recommendations for their review, generally in the subsidiary bodies of the Council, which included recommendations for an annual process. The Committee noted, however, that in paragraph 2 (f) (ii) of its resolution 1988/77, the Council had decided that it would continue to consider the biennialization of the sessions of its subsidiary bodies.

In the preparation of the calendar, careful consideration had been given to avoiding scheduling meetings on Orthodox Good Friday, in accordance with General Assembly resolution 53/208 A. Once the exact dates of Eid al Adha and Eid al Fitr became known, as with other official United Nations holidays, no official meeting would be scheduled for those days.

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* E/2005/100.
[1] E/2005/L.12.

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The Committee recalled that subsidiary bodies should end their sessions at least eight weeks before the substantive session of the Economic and Social Council, to which they reported, and pointed out that every effort had been made in the preparation of the draft calendar to adhere to that guideline. It was also reiterated that every effort had been made to avoid any overlap of meetings related to the same sector of activity.

The Committee also noted that, once its mandate had been renewed by the Council, the next session of the United Nations Forum on Forests would be included in the calendar.

The Committee encouraged the Council to review the calendar as a whole in the context of its review of the mandates, composition, functions and working methods of its functional commissions and expert groups.

The Committee recommended the adoption of the provisional calendar of conferences and meetings for 2006 and 2007 in the economic, social and related fields, and recommended that the Council bear in mind the above observations/suggestions.

In closing, I would like to express the appreciation of the Committee for the invitation of the Council to review its draft calendar of conferences and meetings and for the continued close cooperation between the Council and the Committee.

(*Signed*) Diego **Simancas**